DOCUMENT #5305
ADOPTED

RESOLUTION OF MAY 17, 1990 OF THE BOSTON REDEVELOPMENT AUTHORITY

GRANTING THE TENTATIVE DESIGNATION

OF TUFTS UNIVERSITY DEVELOPMENT CORPORATION FOR THE

SOUTH STATION AIR RIGHTS DEVELOPMENT PROJECT

Whereas, the Boston Redevelopment Authority solicited proposals for the development of the South Station Air Rights Project through a Request for Proposal (RFP) process initiated in December, 1989;

Whereas, four (4) proposals were submitted to the Boston Redevelopment Authority on February 14, 1990;

Whereas, Authority staff has reviewed the proposals and interviewed the competing development teams and found that the TUDC team is well qualified to develop the South Station Air Rights Project;

Whereas, Tufts University Development Corporation (TUDC), the proposed developer, has presented its proposal to the South Boston, Chinatown and Leather District communities for review;

Therefore, be it resolved:

That the Authority hereby grants tentative designation to Tufts University Development Corporation as the developer of the South Station Air Rights Project subject to submission within three hundred sixty (360) days of the following:

1. Development Feasibility Plan

   The development team must demonstrate the financial capacity to participate in a project of the magnitude contemplated for the South Station Air Rights Project through the submission of a detailed project financing plan and development and operating proformas.

2. Research Feasibility Plan

   The development team must demonstrate an ability to develop and undertake research related activities in a manner which would maximize the quality and critical mass of institutional and non-institutional research space in Boston. Specifically, the developer must

demonstrate the ability to attract corporate sponsored research, domestic and foreign pharmaceutical and biotechnology corporations, and other private research firms. In addition, the developer must demonstrate a commitment to the application of research findings to product development.

3. Community Benefits Plan

The development team must establish a comprehensive community benefits plan for Chinatown and South Boston, including, but not limited to, the following:

o Housing Creation and Production Plan for Chinatown and South Boston, including:

- Compliance with housing linkage obligations, either through the housing payment option or through the formulation of housing creation proposals for affordable housing;

- Development of a financing plan for the provision of funds, over and above linkage, for the production of such affordable housing;

- Development of a financing plan for the provision of financial assistance to first time homebuyers.

o Job training and related services and programs, including potential iniatives involving the following:

- Development of a Boston Health Careers Academy;

- Participation in the Biomedical Technology Training Program (Bay State Skills Corporation);

- Establishment of or participation in an English as a Second Language (ESL) Program for Chinatown residents;

- Summer Externship and Internship Programs for teachers and students of the Boston Public School System;

- Establishment of an on-site employment resource center;

- Establishment of a goal of 25% for permanent employment of Chinatown and South Boston residents

Notes from 200/005

in the project;

- Establishment of a scholarship program to institutions participating in the development for South Boston and Chinatown residents.

In addition, the development team will comply with the Boston for Boston Program and submit a Boston Resident Construction Employment Plan.

o Technical and financial assistance - Chinatown

- A $50,000 grant over one year to the Chinatown Neighborhood Council for administrative support commencing July 1, 1990 in equal monthly installments;

- A $50,000 grant of in kind services for real estate and design assistance for the Chinatown Neighborhood Council for master planning the "Gateway" parcel;

- A commitment to expedite the Tufts University Institutional Master Plan process so as to complete this process so as to complete this process as soon as possible but in all cases prior to final designation. This process shall also resolve issues related to R-1, P-2, and the university's Posner property.

- Tufts University plans to review its procurement policies for its facilities in the South Cove with the Chinatown Neighborhood Council to increase opportunities for local Asian-American businesses.

- TUDC plans to provide a like amount of a $50,000 dollar grant of in kind services of a real estate and design nature to the South Boston community to evaluate first-time homeowner opportunities.

o Day care facilities, including:

- Development of a plan for the provision of day care in accordance with South Station zoning requirements; such plan shall include off-site day care facilities of approximately 4,000 square feet each in the South Boston and Chinatown neighborhoods to be owned and operated by independent local businesses.

4. Neighborhood Business Development

   o Development of a comprehensive plan to initiate programs to enhance neighborhood business development, including MBE, WBE, NBE, and CDC involvement in the planning, marketing, design, construction, operation, and management of the project.

5. Urban Design and Environmental Plan

   o The development team must initiate a comprehensive Urban Design and Environmental Plan which is in conformance with the South Station zoning requirements and the program described in the Request for Proposals, including but not limited to:

   - Resolution of issues around the MBTA bus station, specifically utilities and ventilation including redesign consistent with State plans;

   - Establishment of discrete design/design review packages around the various elements of the program, including:

     a. base trays
     b. commercial component
     c. hotel component
     d. biomedical research component

   - Completion of urban design and a refined concept design for each of the program components that is consistent with the concept and design guidelines established in the RFP.

   - Provision of a comprehensive access and circulation plan for pedestrian traffic, auto traffic and service uses, including the requirements of the MBTA bus program.

   - Provision of a plan for the "privitazation" of the design and construction of the MBTA bus terminal and parking at South Station in the most economical manner possible and for such plan to be as consistent as possible with the state deadline for the project.

   - Establishment of an environmental/air quality analysis that incorporates the Commonwealth's

assumptions for both the Central Artery and MBTA bus facility into an analysis for the bio-medical research facility and the proposed parking for the entire project.

- In addition, the plan must include all anticipated environmental impacts and proposed mitigation for the following:

  - o Wind
  - o Shadow
  - o Air Quality
  - o Solid and Hazardous Wastes
  - o Noise
  - o Water Quality
  - o Flood Hazards/Wetlands
  - o Geotechnical Impacts
  - o Rodent Control
  - o Transportation
  - o Construction

EXHIBIT A

TUFTS UNIVERSITY DEVELOPMENT CORPORATION INC. (TUDC)

TUDC Development Team

Tufts University Development Corp.	LeMessurier
Meredith & Grew	Stone & Webster
Jung/Brannen	Haley & Aldrich
Cosentini	H.M.M. Associates
RG Vanderweil	Vanasse Hangen Brustlin
William Rawn	Gilbane Building Co.
Perini Corp.	Brown Rudnick Freed & Gesmer

TUDC South Station Development Program

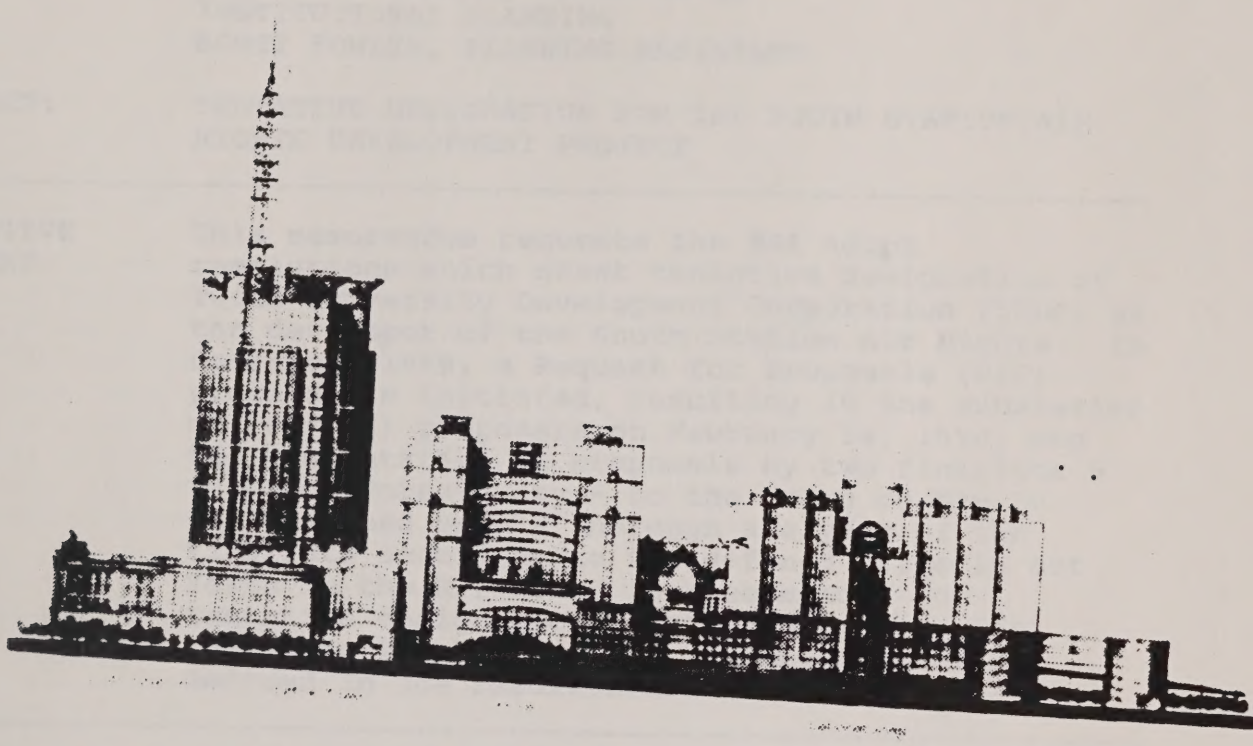
- Total Development Program: 2.4 Million Square Feet
- Total Development Cost: $601 Million
- Office Tower: 698,600 SF
- Government Offices: 50,000 SF
- Research & Development: 578,400 SF
- 675 Room Hotel: 574,700 SF
- Retail 26,200 SF
- On-Site Day Care Center: 4,000 SF
- Off-Site Day Care Centers (2): 8,000 SF
- Parking (1,200 spaces) 540,000 SF

TUDC Public Benefits

- Child Care: 141 slots total
  (47 slots on-site)
  (94 slots in Chinatown and South Boston)
- Permanent Jobs: 6,244
- Construction Worker Years: 6,535
- Housing Linkage: $11 Million
- Jobs Linkage: $2.2 Million
- Property Taxes: $14.3 Million
- Provision of $500,000 voluntary contribution to South Boston community for financial assistance for first time home buyers
- Potential utilization of university-owned land in Chinatown for production of affordable housing linked to the Tufts Master Plan
- Establishment of or participation in job training and educational training programs, including the Boston Health Careers Academy, and the Biomedical Technology Training Programs of the Bay State Skills Corporation
- Targeting of the purchase of goods and services of the project to MBEs, NBEs, WBEs, and CDCs
- Good faith efforts to secure 25% of all permanent jobs for South Boston and Chinatown residents

TUDC.BDM

EXHIBIT B



TUFTS INTERNATIONAL RESEARCH CENTER

Jung/Brannen Associates, Inc. Architects and Planners February, 1990

MEMORANDUM **MAY 17, 1990**

TO: BOSTON REDEVELOPMENT AUTHORITY
STEPHEN COYLE, DIRECTOR

FROM: MICHAEL HUNTER, DEPUTY DIRECTOR FOR URBAN DESIGN AND DEVELOPMENT
GERARD KAVANAUGH, DIRECTOR OF INSTITUTIONAL PLANNING
SCOTT FOWLER, PLANNING ASSISTANT

SUBJECT: TENTATIVE DESIGNATION FOR THE SOUTH STATION AIR RIGHTS DEVELOPMENT PROJECT

EXECUTIVE SUMMARY: This memorandum requests the BRA adopt resolutions which grant tentative designation of Tufts University Development Corporation (TUDC) as the developer of the South Station Air Rights. In December, 1989, a Request for Proposals (RFP) process was initiated, resulting in the submission of four (4) proposals on February 14, 1990, and the presentation of proposals by two finalists - TUDC and Forest City - to the Board on May 10, 1990. Based upon a thorough analysis of the finalists according to the defined criteria set forth in the RFP, TUDC is recommended for tentative designation in accordance with the Challenge Track developer selection process defined in the resolutions.

OVERVIEW

The South Station development site consists of 252,000 square feet of air rights above the South Station railroad tracks. The BRA retained the air rights when it conveyed the underlying title to the Massachusetts Bay Transportation Authority ("MBTA") in 1979.

The South Station Air Rights project is being developed as one of the City's premier "Technopolis" sites. The Technopolis concept, the hallmark of economic planning in Japan, strives to create a partnership among private industry, academia, and government to work toward the development of a critical mass of new growth sectors and economies.

In Massachusetts, and Boston in particular, the growth economies of the Technopolis development include the health care, medical research, and biotechnology industries, the largest employment growth sectors in the Commonwealth. Such growth in Boston will be fueled by the city's internationally prominent medical and

educational institutions, which dominate the health care and medical research industries on a national basis. Boston's hospitals and medical schools, for example, receive more research funding from the National Institutes of Health on a per capita basis than those of any other city in the nation.

With this foundation for economic growth, developments at South Station and other locations within Boston can build upon and expand the city's existing supply of research space. In this fashion, these research economies can complement Boston's service economy and set the course for economic and employment growth through the 1990's.

In addition to South Station, the Charlestown Navy Yard and the Longwood Medical Area have been targeted for the development of new economies. Within the Charlestown Navy Yard, both corporate sponsored and government financed research is taking place, and will consistently expand. Within the Longwood Medical Area, where several of Boston's most prominent institutions are located, the Olmsted Plaza development, a 1.5 million square foot mixed use project with a major research component, is preparing for construction.

As part of the City's effort to direct this growth economy towards South Station, the Boston Zoning Commission recently adopted permanent zoning for the South Station area. The new zoning provides for the potential designation of a Planned Development Area, and also provides an area of the downtown within which the expansion of Boston's biomedical research, and research and development sectors can take place.

REQUEST FOR PROPOSALS

On November 30, 1989, the BRA Board authorized the advertisement of a Request for Proposals ("RFP") for the development of the South Station Air Rights. In order to maximize participation, the Request for Proposals was advertised both locally and nationally in December of 1989. On February 14, 1990, four proposals and three letters of interest were submitted to the BRA. The competition solicited responses from developers of large mixed-use projects with the qualifications and access to capital necessary to carry out the project, in conjunction with institutions interested in expanding their research and development facilities.

The RFP calls for the development of approximately 500,000 square feet of space for research-related activities to promote the growth of Boston's new research economy. The overall development program for the site includes the construction of hotel and

conference facilities, office and retail space, and a parking facility, for a total development program of approximately 2 million square feet.

Tufts University Development Corporation (TUDC), Forest City Development, Olympia & York Companies, and Lena Park Community Development Corporation submitted proposals. In addition, Trizec Properties, Perini Land Co., and the Beacon Companies submitted letters expressing interest in joining the selected development team.

The proposals were recently presented to the Chinatown/South Cove Neighborhood Council and Fort Point Channel Citizen's Advisory Committee, as well as the Atlantic Avenue Abutters, the Greater Boston Chamber of Commerce, and the Boston Society of Architects.

SELECTION CRITERIA

The proposals were reviewed by BRA staff in accordance with the criteria set forth in the RFP as follows:

(1) Development Capacity; (2) Institutional and Non-Institutional Research Capacity; (3) Community Benefits; and (4) Neighborhood and Non-Profit Business Opportunities.

These criteria together articulate a vision for the Technopolis concept and the development of new economy activity.

Development Capacity

Development teams were judged on their ability to participate in a project of the magnitude contemplated for the South Station Air Rights Project. Consideration was given to teams which presented experience and expertise in large commercial projects and demonstrated the knowledge, financial resources, and skills necessary to successfully complete the project.

Institutional and Non-Institutional Research Capacity

Development teams were judged on their ability to develop and undertake research related activities in a manner which would assist in maximizing the critical mass of research space in the City of Boston and demonstrating the potential for secondary growth, specifically the manufacture of products resulting from such research. Specific criteria to demonstrate this capacity include the following:

- Institutional research capacity, including prospective institutional tenancy in the medical and biomedical

research elements;

- Non-institutional research capacity, including private research firms such as biotechnology and pharmaceutical companies which could enhance the institutional research base;

- Research expertise and experience, including technology transfer and the application of research findings to product development.

Community Benefits

The development teams were judged on their planned contributions to Chinatown and the implementation of its community plan, and to South Boston, with specific regard to the following policy objectives:

- Employment generation and job training initiatives;

- Creation of affordable housing, including both rental housing and first time home ownership opportunities;

- Inclusion of daycare facilities in accordance with the South Station zoning regulations.

In addition, teams were judged on their ability to reduce the impacts of institutional expansion within the City's densely populated neighborhoods.

Neighborhood and Non-Profit Business Opportunities

The development teams were judged on their planned commitment to the provision of business opportunities throughout the planning, design, construction, operation, and management phases of the development, to neighborhood-based and non-profit businesses.

RECOMMENDATION FOR DEVELOPER

After review and analysis, the BRA staff has determined that the proposal which best meets the criteria set forth in the South Station Air Rights RFP is that of the Tufts University Development Corporation.

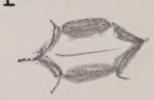
The TUDC South Station Development Proposal contains 2.4 million gross square feet, and is estimated to cost approximately $600 million. The proposal contains a single 700,000 square foot office tower, located behind the South Station Headhouse, in addition to approximately 600,000 square feet of research &

development/biotechnology space. A 575,000 square foot hotel with 675 rooms, a 1,200 space parking garage, and both on- and off-site daycare space are also included. In addition, a 50,000 square foot commitment for government office space for the Food and Drug Administration (FDA), National Institutes of Health (NIH), and Environmental Protection Agency (EPA) is also proposed. A summary of the TUDC South Station Proposal is attached as **Exhibit A** and a rendering is attached as **Exhibit B**.

1. Development Capacity

Tufts University Development Corporation is a for-profit entity established by Tufts University to develop enterprises consistent with the stature and long-term objectives of Tufts University.

TUDC has assembled a strong team with the capability to carry out the project. Meredith & Grew, the development consultant for TUDC, and Jung/Brannen, the project architect, bring years of large-scale development experience to the TUDC team. Other entities with major roles on the TUDC team include: Gilbane Construction, Haley & Aldrich, Stone & Webster, Le Messurier Consultants, Cosentini and Vanderweil.



2. Institutional and Non-Institutional Research Capacity

TUDC's proposal reflects a thorough understanding of the critical research economy component of the project, and fulfills the requirements of an institutional partnership with its commitment of space by Tufts University and subsequent commercial research endeavors that will take place.

Tufts University ranks in the top 1.5% of the nation's colleges and universities in the amount of research grants it receives. In 1989, Tufts received approximately $75 million in such grants, and has been a leader in biomedical research over the last decade. To fulfill its space needs, Tufts has committed to occupy 100,000 square feet of space in the project for its own research uses. This commitment preliminarily includes the Pharmacology Department, Neuroscience Department, Center of Adaptive Genetics, Center for the Study of Drug Development, and Department of Laboratory Animal Medicine.

In addition to this 100,000 square foot commitment, 478,400 square feet is programmed for non-institutional research space. Of that total, 328,400 square feet will be targeted toward large corporate users, both foreign and domestic. TUDC hopes to secure two to four major multi-national pharmaceutical tenants who are seeking a major presence in Boston or the United States.

A substantial portion of the remaining 150,000 square feet of research space will be multi-tenanted space with each tenant utilizing between 5,000 and 25,000 square feet. A portion of this space will also be reserved as an incubator facility designed to house fledgling biotechnology businesses, which would each occupy between 500 and 5,000 square feet.

Tufts University currently has affiliations with more than 100 pharmaceutical companies and biotech firms which could facilitate the leasing of such space. Tufts has a long history of research pursuits through its office of licensing and patents.

TUDC has also reserved 50,000 square feet of space for tenancy by the NIH, FDA, or EPA, and has retained a firm to work toward the leasing of space to these tenants.

Tufts University, its research expertise and achievements, and its commitment to occupy research space within the South Station development exemplify its commitment to the South Station Technopolis development.

3. Community Benefits

The TUDC proposal will generate substantial public benefits to the City of Boston and the communities of Chinatown and South Boston, in particular. The project will generate more than $11 million in housing linkage funds and $2.2 million in jobs linkage funds. Annual property taxes would be approximately $14.3 million. Approximately 6,500 construction worker years and 6,200 permanent jobs would be created.

Of the permanent jobs generated, 1,460 will be new employment opportunities in the research and biotechnology fields. Of this total, it is estimated that 329 research scientists and 152 lab technicians will be employed on the site. TUDC will use its best efforts to make certain that 25% of all permanent jobs are filled by Chinatown and South Boston residents.

TUDC proposes to work to provide employment training for Boston residents through several potential and existing initiatives, including the Boston Health Careers Academy, the Biomedical Technology Training Program, and the Boston for Boston Program. Tufts also proposes to work with the Conference of Boston Teaching Hospitals to assist with the implementation of appropriate job training initiatives.

Affordable housing opportunities for South Boston and Chinatown are a critical component of the TUDC proposal. In addition to linkage, TUDC has committed to the provision of technical

assistance to the South Boston and Chinatown communities for the production of affordable housing, and will make a voluntary contribution of $500,000 to the South Boston community for the production of affordable housing. TUDC, through the Tufts master plan process, will also target university-owned land in Chinatown for the construction of affordable housing, and will work cooperatively with the community in this endeavor.

Additionally, the TUDC proposal includes 12,000 square feet of daycare space, of which 4,000 square feet will be located on-site, 4,000 square feet will be located in Chinatown, and 4,000 square feet will be located in South Boston.

Through the expansion of its research space at South Station, Tufts University will restrict its need for on-campus expansion within the Chinatown neighborhood to three sites in its proposed master plan. This reduction will result in a proportional reduction of development impacts on the Chinatown neighborhood.

4. Neighborhood and Non-Profit Business Opportunities

TUDC has committed to a substantial program regarding the provision of business opportunities for Neighborhood Business Enterprises (NBE), Minority Business Enterprises (MBEs), Women Business Enterprises (WBE), and Community Development Corporations (CDC) throughout the planning, design, construction, operation, and management phases of the project. Specifically, all members of the development team will be required to use good faith efforts to contract with such businesses. In addition, an MBE, WBE, or NBE firm will act as the exclusive leasing agent for the retail space, and 25% of such retail space will be targeted to Neighborhood Business Enterprises.

TUDC will also attempt to target the purchase of 10% of its goods and services to such businesses; TUDC has also committed to solicit community-based day care operators, and will attempt to secure NBE operators for off-site job training programs.

THE CHALLENGE TRACK

BRA staff recommends to the BRA Board that the Challenge Track approach to the developer selection process for the South Station Air Rights Project Competition be adopted. The Challenge Track developer selection method calls for the selected developer to be granted full tentative designation for the South Station Air Rights Project if the following criteria are met:

1. Development Feasibility Plan

The development team must demonstrate the financial capacity to participate in a project of the magnitude contemplated for the South Station Air Rights Project through the submission of a detailed project financing plan and development and development and operating proformas.

2. Research Feasibility Plan

The development team must demonstrate and ability to undertake research related activities in a manner which would maximize the quality and critical mass of institutional and non-institutional research space in Boston. Specifically, the developer must demonstrate the ability to attract corporate sponsored research, domestic and foreign pharmaceutical and biotechnology corporations, and other private research firms. In addition, the developer must demonstrate a commitment to the application of research findings to product development.

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- Development of a plan for the provision of financial assistance to first time homebuyers.

o Job training and related services and programs, including potential initiatives involving the following:

- Development of a Boston Health Careers Academy;

- Participation in the Biomedical Technology

Training Program (Bay State Skills Corporation);

- Establishment of or participation in an English as a Second Language (ESL) Program for Chinatown residents;

- Summer Externship and Internship Programs for teachers and students of the Boston Public School System;

- Establishment of an on-site employment resource center;

- Establishment of a goal of 25% for permanent employment of Chinatown and South Boston residents in the development project;

- Establishment of a scholarship program to institutions participating in the development for South Boston and Chinatown residents.

In addition, the development team will demonstrate its compliance with the Boston for Boston Program and submit a Boston Resident Construction Employment Plan.

o Technical and financial assistance - Chinatown

- A $50,000 grant over one year to the Chinatown Neighborhood Council for administrative support commencing July 1, 1990 in equal monthly installments;

- A $50,000 grant of in kind services for real estate and design assistance for the Chinatown Neighborhood Council for master planning the "Gateway" parcel;

- A commitment to expedite the Tufts University Institutional Master Plan process so as to complete this process so as to complete this process as soon as possible but in all cases prior to final designation. This process shall also resolve issues related to R-1, P-2, and the university's Posner property.

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- Establishment of discrete design/design review packages around the various elements of the program, including:

  a. base trays
  b. commercial component
  c. hotel component
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- Completion of urban design and a refined concept design for each of the program components that is consistent with the concept and design guidelines established in the RFP.

- Provision of a comprehensive access and circulation plan for pedestrian traffic, auto traffic and service uses, including the requirements of the MBTA bus program.

- Provision of a plan for the "privitazation" of the design and construction of the MBTA bus terminal and parking at South Station in the most economical manner possible and for such plan to be as consistent as possible with the state deadline for the project.

- Establishment of an environmental/air quality analysis that incorporates the Commonwealth's assumptions for both the Central Artery and MBTA bus facility into an analysis for the biomedical research facility and the proposed parking for the entire project.

- In addition, the plan must include all anticipated environmental impacts and proposed mitigation for the following:

  - o Wind
  - o Shadow
  - o Air Quality
  - o Solid and Hazardous Wastes
  - o Noise
  - o Water Quality
  - o Flood Hazards/Wetlands
  - o Geotechnical Impacts
  - o Rodent Control
  - o Transportation
  - o Construction

CONCLUSION

BRA staff therefore recommends that Tufts University Development Corporation be granted tentative designation as the developer of the South Station Air Rights Project, in accordance with the Challenge Track developer selection process, and as defined in the attached resolution.

An appropriate vote follows:

VOTED: That the BRA hereby adopts the resolution entitled "Resolution of May 17, 1990, of the Boston

Redevelopment Authority, granting the tentative designation of Tufts University Development Corporation for the South Station Air Rights Project".